

June 16, 2011

Michael Berkoff
United States Environmental Protection Agency, Region 5
Mail Code: SFR-6J
77 West Jackson Boulevard
Chicago, Illinois 60604

**Re: Waste Disposal – Allied Paper, Inc. Operable Unit
Allied Paper, Inc./Portage Creek/Kalamazoo River Superfund Site
Kalamazoo, Michigan**

Dear Mr. Berkoff:

On behalf of the Lyondell Environmental Custodial Trust (the "Trust"), ENVIRON International Corporation (ENVIRON) is requesting approval to properly dispose of wastes that have accumulated at the Allied Paper Operable Unit in Kalamazoo, Michigan (the "Site"). Following disposal of the accumulated wastes, waste disposal activities will be conducted on a routine basis to be determined by the rate of waste generation.

Various types of wastes have been accumulated at the Site including: sludge from the Groundwater Treatment Plant (GWTP), soil cuttings from previous site investigation activities, unused bags of bentonite and lime, universal wastes, and used oil. The types and quantities of wastes to be disposed are presented in Table 1. Based on the available analytical data for the wastes, it is likely that the wastes are non-hazardous. Additional sampling and analysis will be conducted to confirm the non-hazardous status of the wastes.

ENVIRON requested cost proposals for the handling, transportation, and disposal of the Site wastes from three waste handlers: EQ – The Environmental Quality Company; Northern A-1 Services, Inc. (Northern A-1); and Valley City Environmental Disposal (Valley City). Quotes were received from Northern A-1 and Valley City. The quotes are provided in Attachment A. Based on review of the quotes, ENVIRON has chosen to work with Northern A-1 to dispose of the Site wastes.

Approval to use the following landfills and/or treatment facilities for the disposal of the Site wastes is requested.

1. Republic Waste's Marshall Landfill (Marshall Landfill) in Marshall, Michigan
 - GWTP Sludge
 - Lime and Bentonite
 - Filter Bags and Other Refuse
2. Michigan Disposal Waste Treatment Plant in Belleville, Michigan
 - Soil Cuttings
3. Cleanlites, Inc. in Mason, Michigan
 - Universal Waste Materials
4. Northern A-1 Facility in Kalkaska, Michigan
 - Used Oil



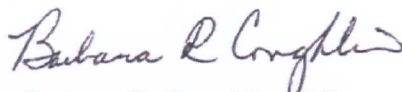
On behalf of the Trust, ENVIRON will also request a new waste generator identification number for the Site as the current generator identification number for the Site is for the prior Site owner.

As costs for the operations and maintenance (O&M) for the GWTP are trending below budget for the year, the costs to dispose of the Site wastes will be invoiced with the GWTP O&M task. Additional funds are not being requested for the waste disposal.

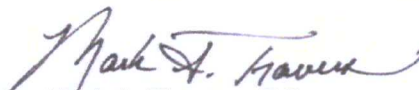
If you have any questions or comments regarding the above, please feel free to contact Barbara Coughlin or Mark Travers at 312.288.3800.

Sincerely,

ENVIRON International Corporation



Barbara R. Coughlin, PhD
Senior Manager



Mark A. Travers, PG
Principal

Attachments

cc: Lyondell Environmental Custodial Trust
Nicole Wood-Chi – USEPA

TABLE

TABLE 1

Materials to be Disposed
Allied Paper, Inc. Operable Unit
Kalamazoo, Michigan

Material	Estimated Volume	Estimated Mass	Container	Analytical
Raw Materials				
Bentonite	108 yd ³	54 to 82 tons	Bags on pallets	None
Lime	23 yd ³	11 to 25 tons	Bags on pallets	None
Waste Materials				
Sludge	20 yd ³	30 tons	20 yd ³ Rolloff	Analytical for two of the 20 yd ³ roll-offs: non-hazardous
Sludge	20 yd ³	30 tons	20 yd ³ Rolloff	
Sludge and carbon	40 yd ³	60 tons	40 yd ³ Rolloff	None
Sludge	40 yd ³	60 tons	40 yd ³ Rolloff	None
Transmission Line Sludge	20 yd ³	30 tons	20 yd ³ Rolloff	None
Sludge			2 yd ³ Blue Hopper	PCBs and TCLP metals: Either ND or below TCLP haz waste standard
Soil Cuttings and water from piezometer installation	45 yd ³	25 to 30 tons	Three 55-gal drums	Total PCB = 2.4 mg/kg, TCLP metals and TCLP VOCs less than haz waste
Used filter bags - cloth	1,100 filter bags		Cardboard boxes	None
Used filter bags - poly	20 yd ³		Plastic bags	None
Hose wrapped in plastic				None
Universal Waste Materials				
Mercury containing light bulbs	~5 bulbs			
Fluorescent light bulbs (96")	~96 bulbs			
Floats	~ 5 floats			
Used Oil				
Used Oil	~5 gallons			

ATTACHMENT A
Subcontractor Quotes

NORTHERN



SERVICES, INC.

3947 US 131 North, P.O. Box 1030 / Kalkaska, Michigan 49646 / Tel. (231) 258-9961 / Fax (231) 258-9971
1680 Peach Street, Whitehall, MI 49461 / Tel. (231) 893-1173 / Fax (231) 258-5099

May 4, 2011

Barbara R Coughlin, PhD
Environ
333 W Wacker Dr, Ste 2700
Chicago, IL 60606

Ms. Coughlin,

Thank you for your interest in using Northern A-1 Services, Inc. (A-1) for your environmental contracting needs. Included is a Scope of Services with associated Cost Proposal for the handling, transportation and disposal of the waste at your water treatment facility at the former Allied Paper site in Kalamazoo, MI. Pricing and services are based on the inventory sheet provided from your Materials to be Disposed list and the site visit I made on April 26, 2011 with Liz.

SCOPE OF SERVICES

1. Sludge Hoppers

- A-1 employees maintain current training and requirements per 29CFR1910.120.
- A-1 will use a Vacuum Tanker to remove the approximately 5000 gallons of water from four (4) of the roll-off boxes.
- A-1 will offload water into the holding tank adjacent to the roll-off box staging area.
- A-1 will utilize the Lime onsite to solidify and stabilize the sludge to assure material will pass paint filter test for transport.
- A-1 will take a sample of the waste and submit it to ALS Labs in Holland, MI for full RCRA and PCB waste analysis.
- A-1 will obtain an approval with Republic Waste based on the analysis showing waste is Non RCRA or TSCA regulated.
- A-1 will use an excavator to remove the estimated 235 tons of solidified waste from the hopper into covered, lined and gasketed roll-off boxes for offsite transportation to Republic Waste's Marshall Landfill (Marshall Landfill) in Marshall, MI for disposal under A-1's existing account.

2. Bentonite

- A-1 will provide roll-off containers to place any remaining Lime and all Bentonite into.
- A-1 will transport the solid waste to Marshall Landfill for disposal under A-1's existing account.

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3. Soil Cuttings

- A-1 will commingle waste from the three (3) drums into one (1) container we provide.
- A-1 will obtain an approval of the waste at EQ in Belleville, MI.
- A-1 will provide the necessary Uniform Hazardous Waste Manifest transport the waste to Michigan Disposal Waste Treatment Plant in Belleville, MI for processing and disposal under A-1's existing account.

4. Filters

- A-1 will supply roll-off boxes for packaging of waste.
- A-1 will deliver the filter bags, hose and other refuse to Marshall Landfill as refuse under A-1's existing account.

5. Universal Waste Materials

- A-1 will supply boxes and package Fluorescent Lamps in boxes suitable for shipping.
- A-1 will supply an open top pail and package Float Switches as either Mercury or Electric Equipment.
- A-1 will supply Universal Waste Labels and a Bill of Lading for the transportation to Cleanlites, Inc. in Mason, MI for processing under A-1 existing account.

6. Used Oil

- A-1 will have oil tested for RCRA and TSCA status.
- A-1 will process and recycle oil at A-1's facility in Kalkaska, MI assuming it is Not RCRA or TSCA regulated.

COST PROPOSAL

Disposal pricing is based on high estimated weights provided on "Materials to be Disposed" list. For Sections 1&2 Pricing, subtract \$24.00 per ton and additional \$275.00 for every twenty (20) tons under estimated weights. For Section 4, subtract

Section 1

- Sludge Dewatering, Solidification and Repackaging..... \$ <10,650.00
- Waste Transportation and Disposal – 235 tons (Marshall Landfill)..... \$ <12,250.00

Section 2

- Bentonite Transportation and Disposal (82 tons)..... \$ <3357.00

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Section 3

- Soil Cutting Drums.....\$ 500.00 lot

Section 4

- Filters and Trash (40 CYd or 10 ton).....\$ <1500.00

Section 5

- Universal Waste Lamps.....\$ 350.00 lot
- Floats (<5#).....\$ 90.00 lot

Section 6

- Used Oil - 021L MI (Includes Total RCRA 8, Total VOC's, Flash and PCB testing) \$ 450.00 lot

QUALIFICATIONS

- Wastes are not RCRA or TSCA regulated. Solid waste will all go to a standard Type 2 landfill for disposal.
- Water from sludge boxes will all be collected and offloaded in one mobilization.
- A-1 will be able to perform all tasks in one continuous operation until completed.
- Invoicing will be based on weight tickets from materials delivered to landfills.
- Services and materials not included within the Scope of Services will be subject to standard A-1 Time and Materials rates
- Pricing is good for (30) days due to increasing fuel rates.

If you accept the terms of this proposal, please sign below and **return a copy** to my attention via fax or mail. If you have any questions or comments, please feel free to give me a call at 231.215.1097.

Thank you,

Rick Schmehil

ACCEPTANCE

Signature

Date

NORTHERN

A-1

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TERMS AND CONDITIONS

The following Terms and Conditions governing the work to be performed by NORTHERN A-1 SERVICES, INC. (A-1) as specified in the Proposal on the front side hereof, together with any attachments or addendum thereof (hereinafter the "Agreement"), are as described hereinafter. By accepting this Agreement or authorizing or accepting all or any portion of the work to be done by A-1, the Customer shall be deemed to have accepted these Terms and Conditions.

In performing its service under this Agreement, A-1 shall be deemed to be acting solely as an independent contractor and only to the extent and for the specific purpose expressly set forth herein and in the Agreement. Nothing contained or implied in this Agreement shall at any time be construed to designate either party or any of its employees or representatives, as representatives, partners, agents or joint venturers of the other party. Further, when executed, the Agreement does not transfer any liability of the Customer as a generator or arranger (as defined under state or federal law) to A-1, all of said responsibility remaining with Customer.

A-1 shall use commercially reasonable efforts in performing services in accordance with this Agreement, including completing such services by mutually agreed-upon completion dates, provided that A-1 shall not be responsible for any untimely provision of or failure to perform its services if there is any failure to provide or delay in providing A-1 with reasonable access to premises or property, necessary documentation, information, materials or contractors retained by Customer or its representatives, or if due to any act of God, labor problems, fire, inclement weather, act of governmental authority, failure of transportation or equipment, accident or any other cause beyond A-1's reasonable control and without its negligence or willful misconduct. In the event of any of the foregoing circumstances, payment of money for services already rendered or suspended shall not be excused and A-1's time for completion of this Agreement shall be extended accordingly.

CUSTOMER ACKNOWLEDGES THAT A-1 HAS MADE NO IMPLIED OR EXPRESS REPRESENTATION, WARRANTY, OR CONDITION WITH RESPECT TO THE SERVICES, EQUIPMENT, OR MATERIALS TO BE PROVIDED BY A-1 HEREUNDER, EXCEPT AS EXPRESSLY SET FORTH HEREIN. A-1 WARRANTS THAT THE SERVICES, EQUIPMENT OR MATERIALS PROVIDED TO CUSTOMER HEREUNDER WILL BE PERFORMED AND/OR PROVIDED IN ACCORDANCE WITH CUSTOMARY PROCEDURES AND PRACTICES GENERALLY IN A-1'S PROFESSION AND LOCALE FOR USE IN SIMILAR UNDERTAKINGS. IN NO EVENT SHALL A-1 BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR ANY DAMAGES OTHER THAN THOSE SOLELY, DIRECTLY, PROXIMATELY AND FORESEEABLY ARISING FROM SUCH BREACH.

Customer warrants and represents that:

Customer has complied with all applicable federal, state and local laws and regulations, ordinances and orders, including, but without limitation, those requiring proper waste characterization and preparation of manifest and shipping papers.

Customer has fully and accurately disclosed all such information as shall be required to enable A-1 to perform its services hereunder, including, but without limitation, the hazardous constituents to be handled as specified in this Agreement.

All materials tendered to or otherwise to be handled by A-1 as specified in this Agreement will conform with the information disclosed pursuant to this Agreement.

Customer has sole title to and is under no legal restraint or order which would prohibit transfer of possession or title to all materials covered by this Agreement.

All waste containers supplied or tendered by Customer will meet container specifications and marketing and labeling requirements of all applicable federal, state and local statutes, regulations, ordinances and orders.

Customer has full authority to and will, upon request of A-1, execute all necessary waste manifests or any other similar document which identifies Customer as the generator or arranger as it pertains to any regulated waste or material.

Customer has full authority to grant access to all work sites or other property necessary for the performance of work authorized by this Agreement.

Customer shall indemnify and hold harmless A-1 from and against any and all losses, costs, expenses and liabilities, including attorneys fees, which are incurred by A-1 and are directly or indirectly attributable to (i) the breach of any warranty specified in this Agreement, (ii) any act or omission of Customer, (iii) any negligence or misconduct of the Customer in connection with the performance of this Agreement, (iv) any condition which exists on or at the site, or (v) any act or omission of the Customer's agents, contractors or subcontractors.

Customer agrees that all specifications and decisions regarding the methods, manners, facilities and/or locations of disposal or other disposition of any materials handled or to be handled pursuant to this Agreement have been or will be made by and are the sole responsibility of the Customer. Customer will also be responsible for making the above decisions and specifications with regard to the disposal or other disposition of waste material handled by any subcontractor. The Customer hereby indemnifies A-1 against, and holds it harmless from, any and all losses, claims, expenses and liabilities, including attorney fees, incurred by A-1 which are directly or indirectly related to Customer's obligations under this paragraph. The subcontractor is expressly prohibited from violating this provision.

A-1 shall use commercially reasonable efforts to comply with all federal, state and local statutes, regulations, ordinances or orders, including, but not limited to, those related to environmental, fire, transportation, safety and health matters applying to the performance of its services pursuant to this Agreement, but shall not be liable to Customer for failure to so comply unless such noncompliance is due to the gross negligence or willful misconduct of A-1.

A-1 shall not be responsible for activities of any contractors or subcontractors or their employees or agents at Customer's site unless retained by A-1 (in which event A-1 shall be responsible solely for their supervision in accordance with generally accepted practices of A-1's profession).

A-1 shall invoice Customer and Customer shall pay to A-1 for its services under this Agreement as follows:

Fees and all other charges will be billed to Customer as provided in the Agreement or as otherwise mutually agreed in writing.

NORTHERN

A-1

SERVICES, INC.

3947 US 131 North, P.O. Box 1030 / Kalkaska, Michigan 49646 / Tel. (231) 258-9961 / Fax (231) 258-9971
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Fees shall be paid net within thirty (30) days of being invoiced by A-1 to Customer. If such invoice is not paid within such period, Customer shall be liable to A-1 for a late charge accruing from the date of such invoice to the date of payment at the lower of eighteen (18%) percent per annum or the maximum rate allowed by law. All taxes applicable to the proceeds received by A-1 hereunder shall be the liability of A-1 and Customer shall not be required to withhold or pay any amounts for federal, state or local income tax, social security, unemployment, or worker's compensation.

Customer hereby agrees that the balance as stated on the billing from A-1 to Customer shall be deemed to be correct, conclusive and binding on the Customer unless Customer notifies A-1 in writing of the particular item that is alleged to be incorrect within ten (10) days from the date of receipt of the billing.

If Customer fails to pay any invoice in full within thirty (30) days after invoice date, A-1 may, at any time and without waiving any other rights or claims against Customer and without thereby incurring any liability to Customer, elect to terminate performance of services. Notwithstanding any such termination of services, Customer shall pay A-1 in full for all services rendered by A-1 to the date of termination of services, plus all interest, termination cost, and expenses incurred by A-1 and related to such termination. Customer shall reimburse A-1 for all costs and expenses of collection, including attorneys fees.

Failure of either party to enforce any of its rights hereunder shall not constitute a waiver of such rights or any other rights hereunder.

This Agreement constitutes the full Agreement of the parties and may only be amended, added to, superseded or waived in writing signed by both parties. Reference by A-1 to any purchase or work order number supplied by Customer shall be for accounting identification purposes only and any terms or conditions therein or in any acknowledgment, confirmation or other communication by Customer which are in addition to or in conflict with this Agreement and Terms and Conditions are rejected.

If any provision of this Agreement is held invalid or unenforceable, such provision shall thereon be deemed modified only to the extent necessary to render the same invalid or excluded from this Agreement, as the situation may require, and this Agreement shall be enforced and construed as if such provision has been included herein as so modified or not been included herein, as the case may be.

All claims, disputes and other matters in question between Customer and A-1 arising out of or relating to this Agreement shall be decided at the election of A-1, by arbitration in accordance with the then current Rules of the American Arbitration Association. This agreement to arbitrate shall be specifically enforceable under the prevailing law. The award rendered by the arbitrator shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof. Notice of demand for arbitration against A-1 shall be filed in writing with the other party to this Agreement and with the American Arbitration Association within one (1) year after the claim, dispute or other matter in question has arisen, and in no event shall it be made after (i) the date when filing a claim with the American Arbitration Association would be barred by the statute of limitations established by the American Arbitration Association, or (ii) the date when institution of legal or equitable court proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitations, whichever shall first occur. Any claim or demand filed outside these limitations shall be waived or barred.

If any legal action, arbitration or other proceeding is brought for the enforcement of this Agreement or because of an alleged dispute, breach, default or misrepresentation in connection with any of the provisions of this Agreement, A-1, if it is the successful or prevailing party in such action, shall be entitled to recover attorneys fees and other costs incurred in that action or proceeding, in addition to any other relief to which it may be entitled and subject to the limitations expressed elsewhere in this Agreement.

The validity, interpretation and performance of this Agreement shall be governed and construed in accordance with the laws of the State of Michigan.

Written acceptance of the Agreement may be delivered via facsimile, receipt of which shall be the equivalent of receipt of the original Agreement for all purposes.

All notices to either party hereto shall be deemed to be duly given if and when mailed, with postage prepaid, to the respective address of the parties appearing on the front hereof, or if and when delivered personally or via facsimile.

The Agreement shall be binding on the parties, their respective heirs, executors, administrators, assigns and personal representatives.



Valley City Environmental Services

1040 Market Ave, Grand Rapids, MI 49503

Phone: 616.235.1500

Fax: 616.235.9507

6850 Quality Way, Portage MI 49002

Phone: 269.323.8444

Fax: 269.323.8594

INDUSTRIAL SERVICES

PROJECT ESTIMATE AND SERVICE AGREEMENT

DATE: February 21, 2011

PROJECT: Sampling, transportation and disposal of materials at the Allied Paper site
Kalamazoo, Michigan

PROPSAL #: 1366

CUSTOMER: Barbara Coughlin, PhD
ENVIRON
333 West Wacker Drive
Suite 2700
Chicago, IL 60606

SITE: Allied Paper Site
268 East Alcott
Kalamazoo, MI 49001

SCOPE OF SERVICES

Valley City to provide the following services:

- We will mobilize to the site and sample the following waste at the site: sludge / carbon in the roll off boxes and the filter bags for proper waste characterization.
- We will complete needed analytical and waste profiles for each waste stream.
- Once we have type II non-hazardous landfill approval for the waste streams we will repackage waste into D.O.T. regulated roll off boxes / over-pack drum for shipment. The sludge / carbon in the off boxes onsite will be solidified as needed and dugout placing sludge into Valley City Environmental roll off boxes. The soil cutting drums will be placed into the roll off box and the water drum will be over-packed. The Bentonite and lime will be loaded into Valley City Environmental roll off boxes using a backhoe. The used filter bags – cloth, poly and hose wrapped in plastic will be loaded into the roll off boxes.
- The waste will be transported and disposed at the Type II non-hazardous / non-TSCA landfill.
- We will pickup the mercury containing light bulbs, fluorescent bulbs, floats, 5 gallons of used oil and over-packed water drum on van body drum run every two weeks.

PRICE

1. Sample waste streams and complete analytical needed:	\$4,789.00 lump sum
2. Solidify and re-package waste streams:	\$12,060.00 lump sum
3. Transportation of solid waste in roll off boxes:	\$9,975.00 lump sum
4. Disposal of solid waste in roll off boxes:	\$7,310.00 lump sum
5. Transportation universal waste, oil and water drum:	\$4000.00 lump sum
6. Disposal of bulbs:	\$100.00 lump sum
7. Disposal of used oil:	No charge
8. Over packed water drum:	\$100.00 lump sum
Project Price:	\$34,734.00 lump sum

(Pricing is based on the following terms and conditions; add-ons, change in job scope, site conditions or waste characterization may result in additional charges.)

PROJECT SPECIFIC CONDITIONS OF BID

- Disposal costs are based on non-hazardous / non-TSCA waste characterization and Type II landfill approvals.
- Transportation and disposal costs of solid waste in roll off boxes include the following waste streams: Bentonite, lime, sludge in roll off boxes and hopper, carbon, transmission line sludge, soil cuttings, used filter bags cloth / poly and hose wrapped in plastic.
- Transportation and disposal of solid waste in roll off boxes pricing is based on engineers estimated mass not to exceed 330 tons. Should we exceed 330 tons an additional cost of \$ 53.00 / ton will apply.

STANDARD TERMS & CONDITIONS

- Pricing based on working Monday through Friday during regular business hours of 0700-1700.
- Fuel surcharges will apply.

CUSTOMER ACCEPTANCE AND WORK AUTHORIZATION

- All verbal and written descriptions of conditions for this project and industrial waste to be removed are accurate.
- Payment terms for work completed are net 30 of invoice.
- I am authorized to approve the above scope of services and enter in this service agreement.

Signature

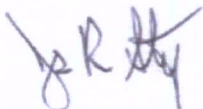
Printed Name

Title

Date

Thank you for your interest in Valley City Environmental Services and we look forward to working with your organization in the future.

Sincerely,



Jamie Stephan
Valley City Environmental Services